

ORIGINAL



0000064288

COMMISSIONERS

JEFF HATCH-MILLER- Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG



ARIZONA CORPORATION COMMISSION

Direct Line: 602-542-3682
Fax: 602-542-3708
E-mail: MGLEASON@AZCC.GOV

December 4, 2006

Chairman Jeff Hatch-Miller
Commissioner William A. Mundell
Commissioner Kristin K. Mayes
Commissioner Barry Wong

Arizona Corporation Commission
DOCKETED

DEC - 4 2006

DOCKETED BY	nr
-------------	----

RE: Decision 68066, Tonto Village Water Company, Rates
(Docket No. W-01580A-04-0672)

Dear Colleagues:

In Decision No. 68099 (August 17, 2005), the Commission granted Tonto Village Water Company a rate increase. In so doing, the Commission ordered the Company to 1) file proof that it had repaired certain leaks within 30 days of the Decision and 2) install a new well by June 30, 2006. However, it appears that the Company provided no documentation of its efforts to satisfy those requirements until July 10, 2006, when it filed photographs of the leak repairs and requested that the deadline for installing the well be extended for one year to June 30, 2007.

On November 17, 2006, Utilities Division Staff filed a memorandum recommending that the Commission grant an extension until April 30, 2008, to allow the Company enough time to file a rate and financing application, obtain a WIFA loan, and install the new well. On November 30, 2006, Administrative Law Dwight Nodes distributed a draft procedural order, which if issued as drafted, would grant Staff's proposed extension.

While I appreciate the practical implications of Staff's proposed extension, I would prefer to hear the Company's explanation for its failure to comply with the Decision before deciding if the Commission should extend the deadline. Accordingly, I am asking that this matter be the subject of an evidentiary hearing to gather additional information.

Sincerely,

Mike Gleason
Commissioner

c: Brian C. McNeil, Executive Director
Dwight Nodes, Administrative Law Judge
Ernest Johnson, Utilities Division Director
Parties to Docket No. W-01580A-04-0672

AZ CORP COMMISSION
DOCUMENT CONTROL

2006 DEC - 4 P 3:45

RECEIVED